

SENATOR MARTIN M. LOONEY
MAJORITY LEADER
Eleventh District
New Haven, Hamden & North Haven



State Capitol
Hartford, Connecticut 06106-1591
132 Fort Hale Road
New Haven, Connecticut 06512
Home: 203-468-8829
Capitol: 860-240-8600
Toll-free: 1-800-842-1420
www.SenatorLooney.cga.ct.gov

February 18, 2014

Good afternoon Senator Osten, Representative Tercyak and members of the Labor and Public Employees Committee. I am here to testify in support of SB 32 AN ACT CONCERNING WORKING FAMILIES' WAGES, H.B. 5069 AN ACT CONCERNING LOW WAGE EMPLOYERS and S.B. No. 56 AN ACT CONCERNING SEVERE MENTAL OR EMOTIONAL IMPAIRMENT AND WORKERS' COMPENSATION COVERAGE

The cost of living is high in Connecticut and workers who earn minimum wage should not be asked to bear a disproportionate share of the burden in our sluggish (although improving) economy. There is a broad consensus that people who work full time should be compensated with a living wage. Minimum wage workers should earn enough to cover the necessities of life without depending on government subsidies and charity. In fact, conservative activist Ron Unz has started a campaign in California to raise the minimum wage to \$12 per hour. His view is that allowing corporations to pay such low wages is in fact a hidden government subsidy to corporations. The corporations compensate their workforce with such low wages that the workers receive government benefits such as food stamps, the Earned Income Tax Credit, and Medicaid. If the corporations were required to compensate the workers more fairly, government spending would decrease and the workers independence would increase.

The proposal in this bill would build on the act we passed last year, and increase the minimum wage to \$10.10 by January 1, 2017. Workers who earn minimum wage are the least able to survive without increases to assist them in offsetting the increases in the cost of living and even this proposed increase does not raise the minimum wage to the relative value of the minimum wage in 1968. HB 5069 similarly would assist low wage earners achieve a sustainable lifestyle. Although the current drafting appears somewhat confusing, the intent of this bill is to require highly profitable big box stores to pay a higher minimum wage than local small businesses. This legislation is similar in intent to the Washington DC Large Retailer Accountability Act which would have set the minimum wage for these businesses at about \$12. According to a Study at the University of California at Berkeley if Walmart increased its average wage from \$9 to \$12 it would only need to increase the price of its merchandise to customers by 1.1% which would cost the customers, on average, \$12.50 per year. This does not seem to be an undue hardship on either the retailer or the customer.

(http://laborcenter.berkeley.edu/retail/bigbox_livingwage_policies11.pdf)

SB 56 would ameliorate some of the changes made to the workers' compensation law in 1993. Specifically, it would expand workers' compensation coverage to individuals suffering from post-traumatic stress disorder as a direct result of witnessing the death or maiming of another human being whose death or maiming was caused by an intentional act of violence of another person. I would support expanding this coverage further and not requiring that the act be intentional. It is reasonable to think that a person could suffer from PTSD from witnessing the death or maiming of a coworker whose death was not intentional.

Thank you for considering these highly important issues.